United Nations A/55/739

General Assembly

Distr.: General
22 January 2001

Original: English

Fifty-fifth session
Agenda item 143
Financing of the United Nations Peacekeeping Force in Cyprus

Financial performance of the United Nations Peacekeeping Force in Cyprus

Report of the Secretary-General

Summary

The present report contains the financial performance report of the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 1999 to 30 June 2000. The General Assembly, by its resolution 53/231 of 8 June 1999, appropriated an amount of $45,630,927 gross ($43,892,427 net) for the maintenance of UNFICYP, including an amount of $2,270,759 for the support account for peacekeeping operations and an amount of $445,268 for the United Nations Logistics Base at Brindisi, Italy, and amounts to be met through voluntary contributions from the Governments of Cyprus ($14,630,810) and Greece ($6,500,000).

Expenditure for the period totalled $45,107,500 gross ($43,388,400 net), resulting in an unencumbered balance of $523,400 gross ($504,000 net). The unencumbered balance resulted from lower ration costs for troops, lower travel costs under civilian police personnel as well as lower salary costs for international and local staff, offset by higher expenditures under non-staff operational requirements.

The action to be taken by the General Assembly in connection with the financing of the Force is set out in paragraph 16 of the present report.

01-22277 (E) 090201

Contents

		Paragraphs	*Page*
I.	Introduction	1–5	3
II.	Implementation of the budget	6–12	3
III.	Financial performance report for the period from 1 July 1999 to 30 June 2000	13–15	4
IV.	Action to be taken by the General Assembly at its fifty-fifth session	16	5
Annexes			
I.	Financial performance report for the period from 1 July 1999 to 30 June 2000: summary statement		6
II.	Supplementary explanation on significant variances		8
III.	Planned and actual deployment of military and civilian personnel for the period from 1 July 1999 to 30 June 2000		15
IV.	Apportionment and expenditure for the period from 1 July 1999 to 30 June 2000		17

I. Introduction

1. The Security Council, in its resolution 186 (1964) of 4 March 1964 established the United Nations Peacekeeping Force in Cyprus (UNFICYP). From its inception until 15 June 1993, costs of the Force were financed by troop-contributing countries, by the Government of Cyprus and by voluntary contributions to UNFICYP (article 19 of the Agreement concerning the Status of the Peacekeeping Force in Cyprus).

2. In its resolution 47/236 of 14 September 1993, the General Assembly decided that commencing 16 June 1993, the costs of the Force that were not covered by voluntary contributions should be treated as expenses of the Organization to be borne by Member States in accordance with Article 17, paragraph 2, of the Charter of the United Nations.

3. The Security Council extended the mandate of the Force in subsequent resolutions, the most recent of which was resolution 1331 (2000) of 13 December 2000 by which the Council extended the mandate of the Force to 15 June 2001.

4. The budget for the maintenance of UNFICYP for the period from 1 July 1999 to 30 June 2000 was set out in the report of the Secretary-General dated 26 January 1999 (A/53/805) and amounted to $43,631,800 gross ($41,722,300 net). The cost estimates provided for maintenance of the Force at a strength of 1,230 contingent personnel and 35 civilian police monitors, supported by 259 (44 international and 215 local staff) civilian staff.

5. The General Assembly, by its resolution 53/231 of 8 June 1999, appropriated the amount of $45,630,927 gross ($43,892,427 net) for the maintenance of UNFICYP for the period from 1 July 1999 to 30 June 2000, inclusive of an amount of $2,270,759 for the support account for peacekeeping operations, and the amount of $445,268 for the United Nations Logistics Base at Brindisi, Italy. The appropriated amount also reflected the fact that the Government of Cyprus provides one third of the cost of the Force ($14,630,810), and the Government of Greece provides $6,500,000 through voluntary contributions. An amount of $24,500,117 gross ($22,761,617 net) was assessed on Member States for the period.

II. Implementation of the budget

6. Information on the operations of UNFICYP during the reporting period is contained in the reports of the Secretary-General to the Security Council dated 29 November 1999 (S/1999/1203 and Corr.1 and Add.1) and 26 May 2000 (S/2000/496 and Corr.1).

7. As part of its continuing effort to improve the management of its resources, the mission undertook a number of new initiatives as well as expanded ongoing cost-saving measures to ensure that the mission is managed with a maximum of economy and efficiency.

8. The mission's outsourcing programme, which had started in April 1999 with the outsourcing of janitorial services in the United Nations Protected Area, was extended to all the Sectors during the period. Feasibility studies and cost benefit analysis of the Force's catering services subsequently led to the outsourcing of the catering services in the United Nations Protected Area and Sector 2. In addition to the reduction of 11 staff posts due to the outsourcing of janitorial services in the

United Nations Protected Area, there was a further reduction of 57 local staff posts during the period under review decreasing the local staff level to 147 members, a 28 per cent reduction for the period, and which will result in long-term savings to the Organization.

9. As a result of a comprehensive review of the commercially hired vehicle fleet, which had been carried out in 1999, the specifications for a number of vehicles were reduced while still ensuring that operational requirements were met. This initiative, combined with a successful bidding exercise in 1999, resulted in significant savings to the Organization.

10. Savings also resulted from the continued rationalization and consolidation of office space, accommodation and ancillary facilities within the Blue Beret Camp in the United Nations Protected Area.

11. For example, relocation of the UNFICYP Supply Warehouse next to the centrally located rations warehouse at the mission headquarters during the period resulted in reduced operating costs and efficiency gains realized since the number of support staff required to serve both warehouses could subsequently be streamlined. Reviews of other possible initiatives in a similar vein are also being examined.

12. The mission also implemented a procurement plan, which specified requirements and procurement action deadlines to ensure that goods and services were procured in the most efficient and least costly manner. The mission continued to enlarge its vendor roster and to re-bid service contracts, which resulted in some cost reductions and improvements in the quality of services rendered.

III. Financial performance report for the period from 1 July 1999 to 30 June 2000

13. Table 1 below indicates the appropriation of $45,630,927 gross ($43,892,427 net) for the maintenance of UNFICYP for the period from 1 July 1999 to 30 June 2000. Expenditure amounted to $45,107,500 gross ($43,388,400 net) inclusive of $10,664,300 in unliquidated obligations. The resulting unencumbered balance of $523,400 gross ($504,000 net) represents in gross terms, approximately 1.1 per cent of the amount appropriated.

14. Annex I to the present report contains the financial performance information for the reporting period by budget line. Column 1 of the annex reflects the apportionment of the resources provided to UNFICYP during the period under review pursuant to General Assembly resolution 53/231. The expenditures recorded for the period from 1 July 1999 to 30 June 2000 are shown in column 3 by budget line item. Variances between the apportionment of resources by budget line item and the actual expenditures are shown in column 4.

15. Supplementary information on significant variances in the financial performance report is presented in annex II to the present report. The planned and actual deployment of military and civilian personnel for the reporting period is contained in annex III. Annex IV contains a chart showing the apportionment and expenditure for the period from 1 July 1999 to 30 June 2000.

Table 1
Apportionment and expenditure
(Thousands of United States dollars)

Category of expenditure	*Apportionment*	*Expenditure*[a]	*Variance*
Military personnel	22 978.1	22 453.7	524.4
Civilian personnel	10 106.5	9 814.1	292.4
Operational requirements	8 072.0	8 360.6	(288.6)
Other programmes	19.8	43.9	(24.1)
United Nations Logistics Base at Brindisi	445.3	445.3	-
Support account for peacekeeping operations	2 270.8	2 270.8	-
Staff assessment	1 738.5	1 719.1	19.4
Gross requirements	**45 630.9**	**45 107.5**	**523.4**
Income from staff assessment	(1 738.5)	(1 719.1)	(19.4)
Net requirements	**43 892.4**	**43 388.4**	**504.0**
Voluntary contributions in kind (budgeted)	-	-	-
Voluntary contributions in kind (non-budgeted)	-	-	-
Total resources	**45 630.9**	**45 107.5**	**523.4**

[a] Includes an amount of $10,664,300 in unliquidated obligations.

Table 2
Authorized staffing, incumbency and vacancy rates for military and civilian personnel for the period from 1 July 1999 to 30 June 2000

Personnel category	*Authorized strength*	*Actual strength (average)*	*Vacancy rate (percentage)*
Military contingents	1 230	1 219	1
Civilian police	35	34	3
International staff	44	40	10
Local staff	215	190	12

IV. Action to be taken by the General Assembly at its fifty-fifth session

16. **The action to be taken by the General Assembly in connection with the financing of UNFICYP is a decision on the treatment of the unencumbered balance of $523,400 gross ($504,000 net) for the period from 1 July 1999 to 30 June 2000.**

Annex I

Financial performance report for the period from 1 July 1999 to 30 June 2000: summary statement

(Thousands of United States dollars)

Category of expenditure		*(1)* *Apportionment* [a]	*(2)* *Non-recurrent expenditures*	*(3)* *Total expenditures (inclusive of non-recurrent expenditures)*	*(4) = (1 - 3)* *Variance*
I.	**Military personnel**				
	1. Military observers	-	-	-	-
	2. Military contingents	21 489.3	-	20 964.9	524.4
	3. Other requirements pertaining to military personnel				
	(a) Contingent-owned equipment	1 288.8	-	1 288.8	-
	(b) Self-sustainment	-	-	-	-
	(c) Death and disability compensation	200.0	-	200.0	-
	Subtotal, line 3	1 488.8	-	1 488.8	-
	Total, category I	**22 978.1**	**-**	**22 453.7**	**524.4**
II.	**Civilian personnel**				
	1. Civilian police	351.2	-	218.5	132.7
	2. International and local staff	9 755.3	-	9 595.7	159.6
	3. United Nations Volunteers	-	-	-	-
	4. Government-provided personnel	-	-	-	-
	5. Civilian electoral observers	-	-	-	-
	Total, category II	**10 106.5**	**-**	**9 814.1**	**292.4**
III.	**Operational requirements**				
	1. Premises/accommodation	1 328.7	389.3	1 666.0	(337.3)
	2. Infrastructure repairs	190.0	-	155.2	34.8
	3. Transport operations	2 348.7	534.7	1 843.2	505.5
	4. Air operations	1 213.8	-	1 269.6	(55.8)
	5. Naval operations	-	-	-	-
	6. Communications	851.6	418.0	911.2	(59.6)
	7. Other equipment	535.1	813.4	882.4	(347.3)
	8. Supplies and services	1 537.1	-	1 606.3	(69.2)
	9. Air and surface freight				
	(a) Transport of contingent-owned equipment	-	-	-	-
	(b) Commercial freight and cartage	67.0	-	26.7	40.3
	Subtotal, line 9	67.0	-	26.7	40.3
	Total, category III	**8 072.0**	**2 155.4**	**8 360.6**	**(288.6)**

Category of expenditure	*(1)* *Apportionment* [a]	*(2)* *Non-recurrent expenditures*	*(3)* *Total expenditures (inclusive of non-recurrent expenditures)*	*(4) = (1 - 3)* *Variance*
IV. Other programmes				
1. Election-related supplies and services	-	-	-	-
2. Public information programmes	4.8	1.0	1.0	3.8
3. Training programmes	15.0	42.9	42.9	(27.9)
4. Mine-clearing programmes	-	-	-	-
5. Assistance for disarmament and demobilization	-	-	-	-
Total, category IV	**19.8**	**43.9**	**43.9**	**(24.1)**
V. United Nations Logistics Base at Brindisi	**445.3**	**-**	**445.3**	**(0.0)**
VI. Support account for peacekeeping operations	**2 270.8**	**-**	**2 270.8**	**(0.0)**
VII. Staff assessment	**1 738.5**	**-**	**1 719.1**	**19.4**
Gross requirements, categories I-VII	45 630.9	2 199.4	45 107.5	523.4
VIII. Income from staff assessment	**(1 738.5)**	**-**	**(1 719.1)**	**(19.4)**
Net requirements, categories I-VIII	43 892.4	2 199.4	43 388.4	504.0
IX. Voluntary contributions in kind (budgeted)	**-**	**-**	**-**	**-**
X. Voluntary contributions in kind (non-budgeted)	**-**	**-**	**-**	**-**
Total	**45 630.9**	**2 199.4**	**45 107.5**	**523.4**

[a] Based on appropriation provided by General Assembly resolution 53/231 of 8 June 1999.

Annex II

Supplementary explanation on significant variances

Military personnel

Apportionment: $22,978,100; expenditure: $22,453,700; variance: $524,400

1. The unutilized balance of $524,400 was largely due to enhanced management and control of the distribution of rations; application of a 5 per cent non-utilization factor, and lower contract prices for fresh rations (fresh fruits, vegetables, dairy products and bread) than budgeted, which resulted in savings of $532,600. These and other savings under welfare and under daily allowance were offset by higher actual requirements under emplacement, rotation and repatriation of troops ($20,900) due largely to higher charter flights costs as a result of increased fuel costs.

Civilian personnel

Apportionment: $10,106,500; expenditure: $9,814,100; variance: $292,400

2. Savings of $292,400 under this heading were mainly under travel of civilian police ($131,700), international staff salaries ($214,700), local staff salaries ($192,200) and overtime ($10,000), which were offset by higher requirements under general temporary assistance ($64,800), common staff costs ($167,700) and other travel ($24,700).

3. Savings of $131,700 under travel of civilian police were realized partly as a result of fewer civilian police monitors being rotated and owing to lower airfares than budgeted. Moreover, one Government providing civilian police did not seek reimbursement for its repatriation/rotation costs.

4. Partly due to temporary reassignment of international staff to assist in newly established peacekeeping operations, the mission experienced an average vacancy rate of 10 per cent for international staff during the period compared to the budgeted rate of 5 per cent, which resulted in an unutilized balance of $214,700 under international staff salaries.

5. The outsourcing of general and support services — which started in April 1999, with contracting out janitorial services in the United Nations Protected Area, which resulted in the abolition of 11 local staff posts effective 30 June 1999 — continued during the period. In October 1999, a catering service contract was put in place in the United Nations Protected Area that allowed the abolition of 18 staff posts as of 31 December 1999. Further outsourcing activities carried out during the period included contracting out catering services at Sector 2 and janitorial services in all Sectors in April 2000, which led to the abolition of 39 posts effective 30 June 2000.

6. Thus, as a result of the mission's outsourcing activities effected during the reporting period, 57 local staff posts became redundant. This contributed to the average vacancy rate of 12 per cent that led to an unutilized balance of $192,200 under local staff salaries. As a consequence, during the 1998-1999 and 1999-2000

financial periods, local staffing requirements were reduced by 74 posts to 147, representing a 28 per cent reduction and long-term savings to the Organization.

7. While provision had been made for overtime for local staff such as drivers and catering staff that were required to work beyond normal office hours, the outsourcing of catering services at mission headquarters in October 1999 and in Sector 2 in April 2000 resulted in savings of $10,000 for overtime.

8. Additional requirements of $64,800 under general temporary assistance and $24,700 under other travel costs were largely attributable to backstopping requirements in connection with the proximity talks, which took place during the reporting period.

9. Additional requirements of $167,700 under common staff costs were mainly due to higher actual international common staff costs than budgeted.

Operational requirements

Apportionment: $8,072,000; expenditure: $8,360,600; variance: ($288,600)

10. The over-expenditure of $288,600 was due to additional requirements under premises/accommodation ($337,300), air operations ($55,800), communications ($59,600), other equipment ($347,300), and supplies and services ($69,200), partially offset by savings under infrastructure repairs ($34,800), transport operations ($505,500) and air and surface freight ($40,300).

Premises/accommodation

Apportionment: $1,328,700; expenditure: $1,666,000; variance: ($337,300)

11. Part of the additional requirements of $337,300 under this heading was necessitated by higher than budgeted costs of improving military accommodation and working facilities in the United Nations buffer zone. This included electrical systems, water reticulation system repairs, new roofing and other work ($185,300).

12. Higher than budgeted costs of $30,200 under maintenance supplies resulted from the mission's programme to refurbish United Nations camps, Patrol Bases and manned Observation Posts. This programme utilized United Nations engineering and support personnel, including qualified engineering personnel with the contingents, and included electrical, plumbing and roofing materials.

13. Consolidation of some of the mission's operations within the Blue Beret Camp and activities and facilities in the United Nations Protected Area resulted in some offsetting savings of $89,000 under maintenance services.

14. Requirements under utilities increased by $112,000 owing mainly to the increase in the cost of electricity as a result of the global rise in fuel prices and the decision of the Government of Cyprus early in 1999 to cease subsidizing electricity costs in Cyprus.

15. An amount of $98,800 was required under construction/prefabricated buildings. During the reporting period, the need arose to replace deteriorated accommodation facilities at Camp Brown that were found to be unsafe.

Infrastructure repairs

Apportionment: $190,000; expenditure: $155,200; variance: $34,800

16. Savings of $34,800 were realized owing in part to favourable prices obtained through competitive bidding for the materials required to repair the patrol track, and in part to the use of transferred engineering equipment from the United Nations Logistics Base to the mission and the acquisition of new equipment, which reduced the need to hire such equipment.

Transport operations

Apportionment: $2,348,700; expenditure: $1,843,200; variance: $505,500

17. An additional amount of $116,100 was required under purchase of vehicles. Provision was made for the purchase of five replacement trucks, two of which exceeded the budgeted amount, resulting in an additional requirement of $76,300. There were additional requirements for a mini-backhoe front loader for use in maintaining the patrol track ($31,800) and for the transfer of engineering equipment from the United Nations Logistics Base at Brindisi ($8,000).

18. Savings of $716,400 under rental of vehicles were the result of a successful bidding exercise and the downscaling of a number of vehicles in terms of size and type while still satisfying operational requirements. Additionally, the mission opted for third-party insurance only for these vehicles. Vehicle repair costs incurred were charged to the spare parts, repairs and maintenance budget line.

19. The additional requirement of $14,500 under workshop and test equipment was primarily attributable to the need to procure a wheel-changing device for tactical armed vehicles in the mission area ($13,500) and for tools urgently needed for the Support Services Workshop ($1,000).

20. The additional expenditure amount of $173,500 shown under this heading was due to increased repair costs as a result of self-insurance for all commercially hired vehicles and the fact that vehicular accident repair costs were correctly charged under spare parts, repairs and maintenance instead of under claims and adjustments, where budgeted (see para. 40 below).

21. Favourable prices obtained through competitive bidding for supply of petrol and diesel from the south, and efforts by the UNFICYP Administration to increase recoveries for liberty travel, resulted in savings of $87,000 under petrol, oil and lubricants.

Air operations

Apportionment: $1,213,800; expenditure: $1,269,600; variance: ($55,800)

22. The higher-than-budgeted expenditure under this heading was due to the fact that a portion of the hire charges for June 1999 ($80,000) was charged to the period under review, partially offset by savings under aviation fuel as a result of the lower number of flying hours flown by both UNFICYP helicopters during the period and to the lower cost of fuel than budgeted and under liability and war-risk insurance costs.

Communications

Apportionment: $851,600; expenditure: $911,200; variance: ($59,600)

23. There was an additional requirement of $126,500 under the communications equipment, spare parts and supplies and workshop and test equipment budget line. The additional requirement of $55,400 under the heading of communications equipment was due to the purchase of two Ericsson MD110 exchange systems for Sector 2 and Sector 4 headquarters to replace obsolete equipment ($39,200), the necessity to replace 16 non-Y2K-compliant facsimile machines ($14,800) and to replace 10 pagers and other equipment ($1,400). Further expenditure was incurred under spare parts and supplies for additional spare parts for the satellite communications systems and to upgrade telephones in order to expand the capacity of the new Ericsson telephone system at mission headquarters ($62,700). Furthermore, the mission needed to obtain a digital cable analyser and a fibre-test adapter option set, which had not been envisaged at the time of the budget preparations, resulting in additional requirement of $8,400 under workshop and test equipment.

24. The above additional requirements were partially offset by savings under commercial communications ($66,900). In this connection, while the mission's share of intelsat/transponder lease charges were higher than budgeted, the extensive and unlimited access to the United Nations satellite network for telephone calls via the new Ericsson exchange system and improved administrative procedures for collecting telephone user charges for private calls as well as official contingent calls, resulted in the net unutilized balance reported.

Other equipment

Apportionment: $535,100; expenditure: $882,400; variance: ($347,300)

25. Reasons for the significant variances under this heading are highlighted below.

26. Savings of $32,000 under office furniture were in part due to the acquisition of furniture at lower cost than budgeted. Also, ongoing rationalization of the mission's office space, reorganizing and relocating the supply warehouse from the British-retained site to mission headquarters and the reduction of UNFICYP's geographic "footprint" at its headquarters in the United Nations Protected Area allowed for redistribution of existing furniture.

27. The additional requirement of $20,400 under office equipment is attributable to the need to procure a digital image laser colour photocopier to reproduce operational maps of the buffer zone for distribution to operations personnel.

28. During the period, it was necessary to replace 40 additional non-Y2K-compliant desktop computers, 2 additional laptops and 113 desk jet printers ($73,200) and purchase a computer-based engineering design and planning programme ($21,500). As a result of the extension of the LAN to the Sectors and the United Nations Flight Operations Unit, to improve communications between the Sectors and headquarters through e-mail and access to Lotus Notes, additional equipment and accessories amounting to $16,200 was required. In addition, an amount of $22,400 was obligated for the purchase of video-conferencing equipment for the mission.

29. As the two generators budgeted for purchase during the period were in fact obtained through transfer from the United Nations Logistics Base, these funds were utilized instead for the procurement of two generator housings to accommodate these generators.

30. Unbudgeted requirements were incurred under observation equipment ($12,800). During the period, it had been planned to replace 70 binoculars, which were beyond economical repair and scheduled for write-off, from United Nations Logistics Base stock. However, as Brindisi stocks were fully depleted, there was a requirement to purchase this equipment ($9,800). Additional costs were also incurred in connection with the shipping of surplus night observation devices with a view to testing them for suitability for use for UNFICYP's operations.

31. An unplanned expense of $36,600 was incurred for the procurement of two 14,000-litre portable aviation fuel storage tanks in order to release the fuel storage point located on the British-retained site in the United Nations Protected Area and which had become uneconomical to maintain.

32. An additional amount of $194,400 was required under miscellaneous equipment for the purchase of two hydraulic lifts for the supply and rations warehouse ($24,600), for 115 additional electronic vehicle monitoring devices (car log systems) ($80,900) and for acquisition of 61 new and replacement air conditioners as part of the continuing improvements to the United Nations Protected Area and Sector premises ($48,000). In addition, 50 garbage bins were procured to meet local authority requirements ($14,300). Additional funds were required for the replacement of 3 radar guns and 2 Alco meters, the costs of which were underestimated in the budget ($6,900), 100 replacement windsocks ($6,500), 64 electrical heating panels to replace gas heaters that are potential health hazards ($8,700), 3 additional digital cameras ($2,500), and replacement of 2 vehicle steam cleaners ($2,000).

33. As a result of older equipment being written off, the requirements for spare parts, repairs and maintenance were less than budgeted, resulting in an unutilized balance of $68,000 under this heading.

34. An additional expenditure of $42,600 was required for the procurement and installation of water and purification equipment at the observation posts in the buffer zone in order to provide a safe source of potable water to military and civilian police personnel, thus obviating the need to provide bottled water at these locations.

Supplies and services

Apportionment: $1,537,100; expenditure: $1,606,300; variance: ($69,200)

35. The net over-expenditure under this heading of $69,200 was due to a number of factors. An additional amount of $450,300 was required as a result of outsourcing of janitorial services in the United Nations Protected Area from July 1999 to April 2000 ($95,600), janitorial services for the United Nations Protected Area and Sectors from April to June 2000 ($54,600), catering services for the United Nations Protected Area from October 1999 to June 2000 ($237,200) and catering services for Sector 2 from April to June 2000 ($62,900). At the time of the preparation of the budget, it was not foreseen that these services would be outsourced and as a result no provision was included in the budget for the period. A further amount of $22,000

was required for other contractual services, such as increased requirements for barbering services and for miscellaneous contractual services.

36. The increase in the contractual services requirements were largely offset by significant savings due to reduced costs under other contractual services following re-bidding of laundry and dry cleaning services ($295,400), deep cleaning services for the catering areas, which are included in the catering contracts ($75,500), and other contractual services ($32,200).

37. Centralized renewal of software licences for Reality, Sun Accounts, Progen and Lotus Notes at Headquarters, resulted in savings of $6,400 under data processing services.

38. Although a number of high-level meetings were held during the period, it was decided that specialized security services were not required, resulting in an unutilized balance of $28,000.

39. Savings of $33,700 under medical treatment and services was due to improvements in the hygiene standards in the Sectors as a result of regular inspections by the mission's Force Hygiene Officer of kitchen/dining facilities and other areas throughout the mission to ensure that appropriate hygiene levels are adhered to at all times. Additionally, referrals to local doctors and clinics were reduced as more personnel were treated at the recently established UNFICYP Medical Centre.

40. While provision had been made for third-party claims resulting from loss or damage to property, legal and assessors' fees and for vehicular accident repairs for the period, no payments were made for claims during the period and vehicle accident repairs were charged to the spare parts, repairs and maintenance line item, resulting in an unutilized balance of $51,600.

41. Additional requirements of $151,900 under miscellaneous other services were primarily due to bank charges ($138,400), higher costs for advertisements in local newspapers than budgeted ($33,600) and for electrical consultancy fees ($9,700), which were offset by savings of $29,800 as a result of sponsorship by the United Nations Office for Project Services (UNOPS) of the United Nations Day event in October 1999.

42. Strict control of the use of stationery and office supplies contributed to the unutilized balance of $13,200 under this line item.

43. Owing to reduced requirements for medical supplies during the period and the utilization of remaining stock from the prior period, savings of $7,200 were realized.

44. Savings of $27,600 under sanitation and cleaning materials resulted from the implementation of janitorial and catering services contracts in the United Nations Protected Area and the Sectors, which provided for contractor-supplied equipment, supplies and other consumables.

45. Owing to lower than anticipated production costs for the Blue Beret publication and a reduction in the number of newspapers and magazines purchased as a result of a review by the UNFICYP management, savings of $6,600 were realized under Subscriptions.

46. Savings of $24,100 under uniform items, flags and decals were due to improvements in stock management, resulting in more efficient utilization of existing stock of items held by the mission.

47. Savings of $7,600 were recorded under Field Defence Stores as the planned procurement of crowd control barriers did not proceed.

48. In preparation for outsourcing catering services, there was an additional requirement of $55,700 under quartermaster and general stores to replace kitchen utensils at Sector locations.

Air and surface freight

Apportionment: $67,000; expenditure: $26,700; variance: $40,300

49. The unutilized balance of $40,300 under this heading was due to the fact that such costs were recorded as part of the equipment purchase costs.

Public information programmes

Apportionment: $4,800; expenditure: $1,000; variance: $3,800

50. Savings of $3,800 were realized due to lower requirements than budgeted during the reporting period.

Training programmes

Apportionment: $15,000; expenditure: $42,900; variance: ($27,900)

51. Provision had been made to cover the costs of specialized training in new software and hardware technologies and for maintenance and repairs of communications equipment for staff in the Electronic Services Section. However, travel and daily subsistence allowance for training budgeted under "Other travel of staff" were charged to this budget line. Moreover, additional requirements arose in connection with training of UNFICYP mechanics in Paris and Nairobi and the Chief Finance Officers workshop in Brindisi. The above resulted in an over-expenditure of $27,900 under this heading.

Staff assessment

Apportionment: $1,738,500; expenditure: $1,719,100; variance: $19,400

52. The unutilized balance was mainly due to the average vacancy rate of 10 per cent in respect of international staff and 12 per cent for local staff.

Income from staff assessment

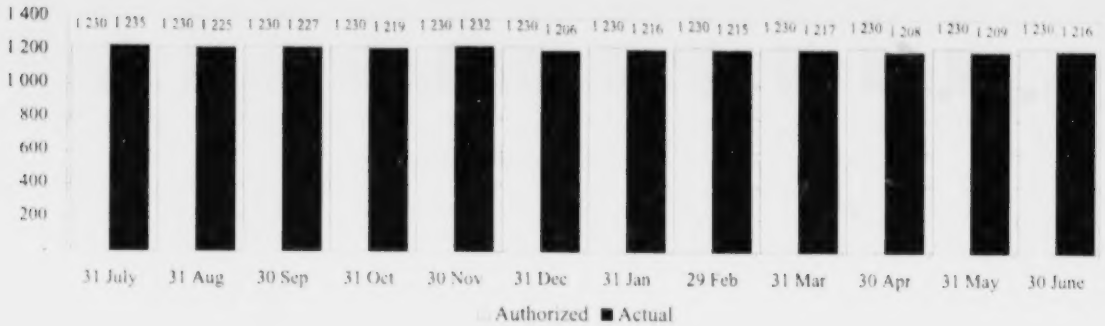
Apportionment: ($1,738,500); expenditure: ($1,719,100); variance: ($19,400)

53. This amount is derived from staff assessment (see para. 52 above).

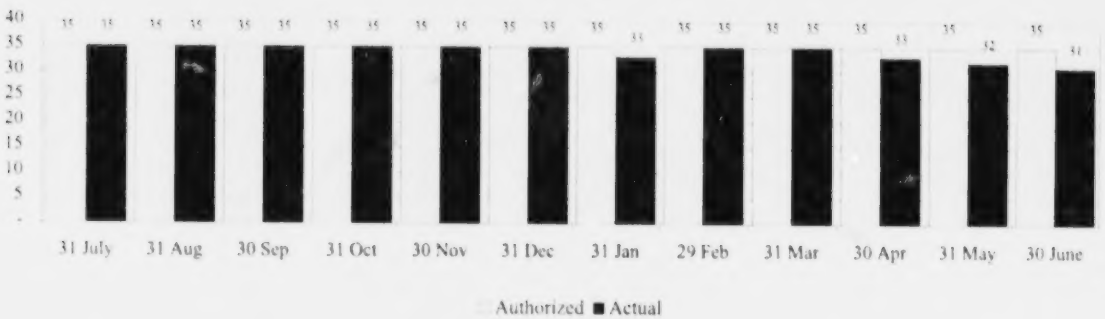
Annex III

Planned and actual deployment of military and civilian personnel for the period from 1 July 1999 to 30 June 2000

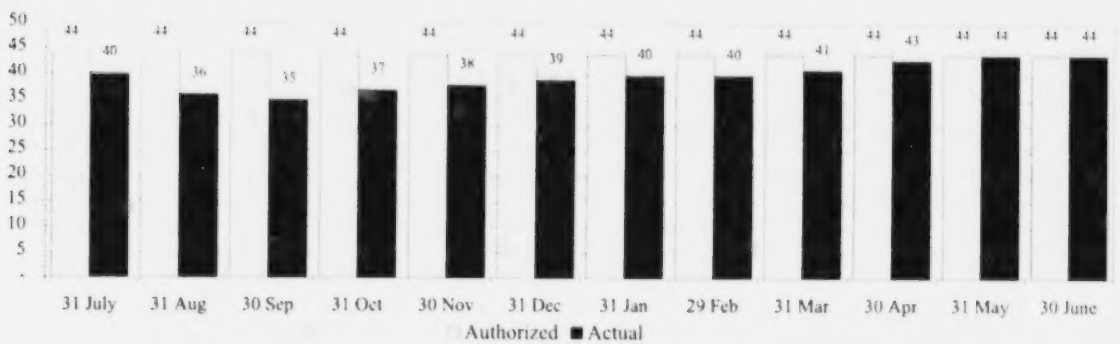
1. Military contingents



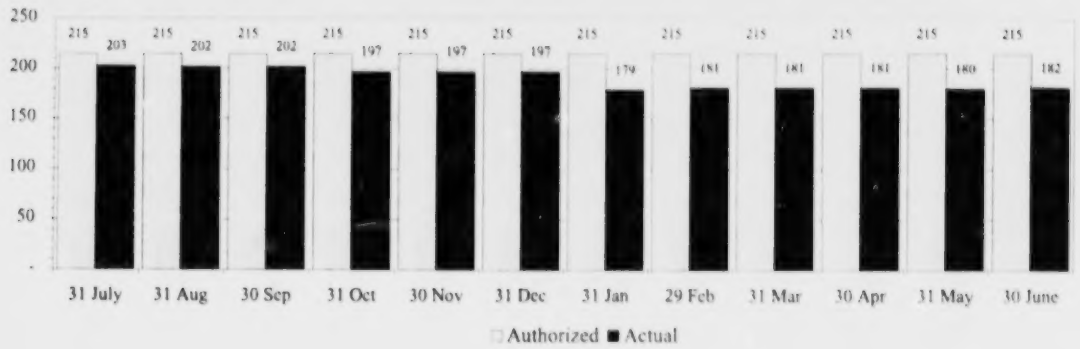
2. Civilian police



3. International staff



4. Local staff



Annex IV

Apportionment and expenditure for the period from 1 July 1999 to 30 June 2000